

FISCAL NOTE

Bill #: HB0141

Title: Revise electricity universal system benefit laws

Primary Sponsor: Olson, A

Status: As Introduced

Sponsor signature	Date	David Ewer, Budget Director	Date
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Fiscal Summary

	<u>FY 2006 Difference</u>	<u>FY 2007 Difference</u>
Expenditures:		
General Fund	\$0	\$0
Revenue:		
General Fund	\$0	\$0
Net Impact on General Fund Balance:	\$0	\$0

- | | |
|---|--|
| <input type="checkbox"/> Significant Local Gov. Impact | <input type="checkbox"/> Technical Concerns |
| <input type="checkbox"/> Included in the Executive Budget | <input type="checkbox"/> Significant Long-Term Impacts |
| <input type="checkbox"/> Dedicated Revenue Form Attached | <input type="checkbox"/> Needs to be included in HB 2 |

Fiscal Analysis

ASSUMPTIONS:

Department of Environmental Quality

1. Most utilities already commit 25 percent or more of their Universal System Benefits (USB) funding levels to low-income energy and weatherization assistance. The change in percentage of USB funding levels to low-income energy and weatherization assistance from 17 percent to 25 percent as proposed in HB 141 should have no impact on the amount of USB funds that go to each entity currently receiving those funds.
2. HB 141 lowers the total percentage of annual retail sales revenue in Montana that utilities must give towards USB funding. The change in the amount of USB funds received by the Montana Department of Environmental Quality (DEQ) would not be significantly affected by a lowering of the percentage as proposed in the bill. The amount of USB funds that is received by the DEQ from year to year varies as a result of total utility revenues and as a result of the amount of funds that the utility companies spend directly. Depending on the amount that utility revenues rise or fall and the amount of utility expenditures for their own programs, the amount of USB funds available to DEQ also changes. It is impossible to project utility rates in the future with any degree of certainty.